

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 1468 - HB 1470

January 20, 2016

SUMMARY OF BILL: Increases the membership of the Board for Licensing Health Care Facilities from 18 to 19 members by adding a member representing ambulatory surgical treatment centers.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$3,000/Board for Licensing Health Care Facilities

Other Fiscal Impact – The Board for Licensing Health Care Facilities is required to collect fees in an amount sufficient to cover all expenditures. The Board experienced net surpluses of \$386,355 in FY13-14 and \$401,492 in FY14-15. It is estimated the additional \$3,000 in expenditures can be accommodated within existing fee revenue.

Assumptions:

- An effective date of July 1, 2016
- Pursuant to Tenn. Code Ann. § 68-11-203 (c), members of the Board for Licensing Health Care Facilities receive reimbursement for travel expenses in accordance with the comprehensive travel regulations promulgated by the Department of Finance and Administration. Members do not receive any per diem, or any other type of remuneration for performing in the official capacity as a member of the Board.
- According to information received from the Department of Health, Division of Regulatory Boards, the average annual amount of travel reimbursement per member per year is \$3,000.
- A recurring increase in state expenditures of \$3,000 to the Board.
- Pursuant to Tenn. Code Ann. § 68-11-216(b)(1)-(2), the Board is required to collect fees in an amount sufficient to pay the costs of operating the Board. All fees collected by the Board are deposited by the Department of Health with the State Treasurer to the credit of the General Fund and shall be expended by the Department and included in the appropriation made for the Board in the *General Appropriations Act*.
- If the Board fails to collect sufficient fees to pay the costs of operating the Board for a period of two consecutive years, the Board shall be reviewed by the Joint Evaluation Committees and shall be subject to a revised termination date of June 30 of the fiscal

year immediately following the second consecutive fiscal year during which the Board operated at a deficit.

- The Board had net surpluses of \$386,355 in FY13-14 and \$401,492 in FY14-15; as a result, it is assumed the Board will not increase fees pursuant to Tenn. Code Ann. § 68-11-216(b)(1)-(2).

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

/jdb